

RECORDATION NO. 27505 FILED

MAY 20 '08 -8 00 AM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL  
URBAN A. LESTER

May 20, 2008

Anne K. Quinlan, Esquire  
Acting Secretary  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Loan and Security Agreement, dated as of April 30, 2008, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document covers all now owned and hereafter acquired railcars of the Debtor.

The names and addresses of the parties to the enclosed document are:

Lender:	Regions Bank 5005 Woodway, Suite 110 Houston, TX 77056
Borrower:	Pan American Railway Co. 14019 SW Freeway, Suite 301 Sugar Land, TX 77478

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A description of the railroad equipment covered by the enclosed document is:

All railroad cars, locomotives or other rolling stock of the Borrower  
WHETHER NOW OWNED OR HEREAFTER ACQUIRED.

A short summary of the document to appear in the index is:

Memorandum of Loan and Security Agreement.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/sem  
Enclosures

MAY 20 '08

-8 00 AM

## SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LOAN AND SECURITY AGREEMENT

1. Pursuant to that certain Loan and Security Agreement, dated April 30, 2008, between "Regions Bank", as Lender, and "Pan American Railway Co.", as Borrower (the "Security Agreement"), Borrower has granted to Lender a security interest in all railroad cars, locomotives, or other rolling stock, or accessories used on such railroad cars, locomotives, or other rolling stock, including superstructures and racks or other personal property now owned or hereafter acquired or arising and howsoever Borrower's interest therein may arise or appear (whether by ownership, lease, security interest, assignment, claim, or otherwise).

2. The addressees of the parties are as follows:

Lender: Regions Bank  
5005 Woodway,  
Suite 110, Houston, TX 77056  
Attention: Keith Page

Borrower: Pan American Railway Co.  
14019 SW Freeway, Suite 301  
Sugar Land, TX 77478  
Attention: Gerardo Saavedra

3. The terms and provisions of the Security Agreement, including the commencement date and termination date, are more particularly set forth in the Security Agreement.

4. This Memorandum of Loan and Security Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same document, which may be evidenced by any such signed counterpart.

IN WITNESS WHEREOF, the parties hereto, have caused this instrument to be signed by their respective corporate officers as of the date and year first above written.

"REGIONS BANK"

By

*Keith Page*

Name:

*Keith Page*

Title:

*Senior Vice President*



"PAN AMERICAN RAILWAY CO."

By [Signature]

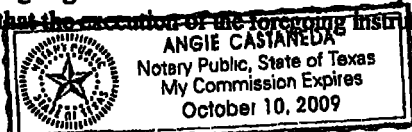
Name: Gerardo Sanchez

Title: Vice President

STATE OF Tx

COUNTY OF Harris ) ss:  
)

On this 19 day of May, 2008, before me personally appeared Keith Page, to me personally known, who, being by me duly sworn, says that he/she is Sr. V. P. of "Regions Bank", and that he/she executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.



[Signature]  
NOTARY PUBLIC

My commission expires:

10-10-09

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_ ) ss:  
)

On this 16 day of May, 2008, before me personally appeared Gerardo Sanchez, to me personally known, who, being by me duly sworn, says that he/she is a Vice President of "Pan American Railway Co." and that he/she executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

[Signature]  
NOTARY PUBLIC



My commission expires:

**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 5/20/08



\_\_\_\_\_  
Robert W. Alvord